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APPROVAL OF UNDP ASSISTANCE TO A PROJECT OF BOLIVIA

IPF:(1987-91) $ 21 700 000

(BOL/91/014) - Project for Agricultural Development "AYNI" Oruro

Date of approval by the AC:[1/]	18 December 1991
Expected duration:	36 months
Proposed executing agency:	Government
Government implementing agency:	Regional Corporation for the Development of Oruro
Third-party cost sharing:	$ 1 783 800 Source of funds: GTZ (Germany)
Total UNDP budget:	$ 1 783 800

Project background

In an effort to break the vicious cycle of rural poverty, the Government of Bolivia is following a strategy that will increase the income level, reduce migration, and contribute to the creation of the necessary conditions to ensure the sustainability of the development programs in the rural areas. In this context, priority will be given to the most depressed areas, among them Oruro. The two droughts that afffected the region in the 1980's have accelerated a migratory trend to the cities and to neighboring departments, as peasants seek temporary employment in illegal coca growing areas in order to survive and provide for their families. At a national level, the Government is investing resources for the development of infrastructure, and conducting programs of social and income generating services. At the regional level, the Regional Corporation for the Development of Oruro (CORDEOR) is administering micro-projects co-financed by the European Economic Community in the Western part of the Department. NGO's such as CARE are also collaborating in the strategy.

The above-mentioned project has its basis in previous programmes targeting the Andean region, (BOL/83/008), and specifically the peasants of the Eastern region of Oruro under the project (BOL/86/023). The former was introduced as an emergency action in response to the drought of 1982-1983. Subsequently, BOL/86/023 was implemented as a successor to BOL/83/008; and by the end of 1990 it had implemented more than 70 small irrigation systems benefiting over 2,000 families, created a Revolving Fund that benefitted more than 1,500 small farmers who received loans, organized 68 communities into production groups, arranged 13 training courses for CORDEOR's technical personnel and 250 peasant leaders; and concluded initial studies in re-forestation and on the viability of increased investment in the productive sector.

[1/] **This Fact Sheet reflects the status of the project/revision at the time it was approved by the Action Committee; modifications to the project/revision may have occurred subsequently.**

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While both previous projects were successful insofar as achieving their specific physical outputs, sustainability issues such as institutional strengthening were not adequately addressed. The current project (BOL/91/014) will address this issue as requested by the Ministry of Planning; hence UNDP assistance was requested under the present approval.

Description of project

The immediate objectives of the project are to: (a) provide technical assistance to CORDEOR to decentralize its operational and administrative functions to a sub-regional level; (b) strengthen its management for an efficient administration of projects; (c) provide up-dated and detailed information on the cost-benefits of the project to participants; (d) build capacity to efficiently co-ordinate with other institutions and projects in the area; (e) implement a Monitoring and Evaluation System (SIME) that will allow the evaluation of projects from a cost-benefit perspective; (f) train personnel of CORDEOR in project management in order for them to assume the project's responsibility after the termination of international assistance; (g) strengthen the technical capacity of CORDEOR for the identification, evaluation, control, and support for new investment projects in agriculture and rural development; (h) carry out feasibility studies for marketing commercial agricultural products, construction of four irrigation dams and for a milk production facility; (i) increase farm production and productivity so as to improve and expand infrastructure; (j) build irrigation systems and provide training and information; and (k) make loans from a Revolving Fund accessible to secure the timely availability of the means of production and commercialization.

Inputs

UNDP will provide international personnel including an expert in hydrology and dam design(three work-months), irrigation of plots(three work-months), a consultant on investment studies(six work-months), national personnel consisting of advisors for the development of infrastructure(36work-months), in production systems for the agricultural and livestock industries(12work-months), and 16 short-term consultants(87work-months) in administrative systems, technical communication, irrigation and drainage, soil management, etc.; subcontracts for three market studies, and a laboratory for soil analysis; the construction of small dams and of subregional administrative centers; training programs for personnel of CORDEOR and for the peasants of the region as well as seminars, workshops, on-site visits, and hands-on-training; transportation equipment including one van, three light trucks, a truck, nine motorcycles; equipment for well drilling, hydraulic systems, soil and water laboratory, audio-video for training, office equipment; equipment and construction materials for pilot projects and for the irrigation systems as well as tools; use and maintenance of equipment; and miscellaneous costs.

Financial data

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Personnel	493 900
Subcontract	351 000
Training	115 100
Equipment	746 000
Miscellaneous	77 800
Total	1 783 800

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